

Translation of Immediate Report

Bank Leumi le-Israel B.M.

Registration No. 520018078

Securities of the Corporation are listed on The Tel Aviv Stock Exchange

Abbreviated Name: Leumi

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To: Israel Securities Authority (www.isa.gov.il)
The Tel Aviv Stock Exchange (www.tase.co.il)

Immediate Report

Nature of the Event: Leumi Card – Financial Statements

Bank Leumi le-Israel B.M. announces that a subsidiary of the Bank, Leumi Card Ltd., today published its financial statements as at 31 December 2014.

The full financial statements will be published on the company's website, at:
<https://www.leumi-card.co.il/he-il/GeneralPages/Pages/FinancialReport.aspx>

See the attached Annex.

Date and time at which the corporation first became aware of the matter being the subject of the report: 25 February 2015 Time: 21:03.

The report was signed on behalf of the corporation, in accordance with regulation 5 of the Securities (Periodic and Immediate Reports) Regulations, 1970, by Ms. Tamar Yasur, Head of the Banking Division.

Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.

The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>

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Consolidated Balance Sheet as at

Reported amounts

	<u>31 December 2014</u> <u>NIS millions</u>	<u>31 December 2013</u> <u>NIS millions</u>
Assets		
Cash and bank deposits	82	59
Accounts receivable for credit card activity	10,625	9,483
Provision for credit losses	(79)	(72)
Accounts receivable for credit card activity, net	<u>10,546</u>	<u>9,411</u>
Investments in companies included on the equity basis	3	2
Equipment	206	194
Other assets	<u>58</u>	<u>53</u>
Total Assets	<u>10,895</u>	<u>9,719</u>
Liabilities		
Credit from banking corporations	2,705	1,902
Accounts payable for credit card activity	6,498	6,254
Other liabilities	<u>149</u>	<u>161</u>
Total liabilities	9,343	8,317
Contingent liabilities and special contractual relationships		
Shareholders' equity	<u>1,552</u>	<u>1,402</u>
Total liabilities and capital	<u>10,895</u>	<u>9,719</u>

Tamar Yassur - Chairman of the Board of Directors

Hagi Heller - CEO

Lea Shwartz - CFO, Chief Accountant

Date of approval of financial statements: 25 February 2015

Consolidated Profit and Loss Statements

Reported amounts

	For the year ending 31 December 2014	For the year ending 31 December 2013	For the year ending 31 December 2012
	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>
Income			
From credit card transactions	854	830	795
Net interest income	159	154	156
Other income	2	3	3
	<hr/>	<hr/>	<hr/>
Total income	1,015	987	954
	<hr/>	<hr/>	<hr/>
Expenses			
For credit losses	25	10	19
Operating	423	418	400
Sales and marketing	173	174	172
Management and general	45	42	43
Payments to banks	73	71	73
	<hr/>	<hr/>	<hr/>
Total expenses	739	715	707
	<hr/>	<hr/>	<hr/>
Profit before taxes	276	272	247
Provision for taxes on profit	81	76	69
	<hr/>	<hr/>	<hr/>
Profit after taxes	195	196	178
Company's share in after-tax operating profits of companies included on equity basis	5	4	2
	<hr/>	<hr/>	<hr/>
Net profit	200	200	180
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Profit per ordinary share (in NIS):			
Basic and diluted earnings:			
Net profit	8.00	8.00	7.20
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Thousands	Thousands	Thousands
Weighted average of the number of shares used for calculating profit per share	25,000	25,000	25,000

Statements of Changes in Shareholders' Equity

Reported amounts

	<u>Fully paid share capital</u>	<u>Premium on shares</u>	<u>Capital fund from transactions With controlling share - holder</u>	<u>Retained earnings</u>	<u>Total share- holders' equity</u>
	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>	<u>NIS millions</u>
Balance as of 31 December 2011	26	355	33	678	1,092
Dividend	-	-	-	(40)	(40)
Net profit for the accounting year	-	-	-	180	180
Balance as of 31 December 2012	26	355	33	818	1,232
Dividend	-	-	-	(30)	(30)
Net profit for the accounting year	-	-	-	200	200
Balance as of 31 December 2013	26	355	33	988	1,402
Dividend	-	-	-	(50)	(50)
Net profit for the accounting year	-	-	-	200	200
Balance as of 31 December 2014	26	355	33	1,138	1,552